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VIA ECF

The Honorable Richard J. Sullivan
United States District Court
Southern District of New York
500 Pearl Street, Room 640
New York, New York 10007

Re: *Princeton Digital Image Corp. v. Canon Inc., et al.*, Civil Action No. 1:12-cv-00779

Dear Judge Sullivan:

Defendants Hewlett-Packard Company ("HP") and FUJIFILM North America Corporation ("FUJIFILM") (collectively "Defendants") respectfully respond to the letter to the Court submitted by plaintiff Princeton Digital Image Corporation ("PDIC") on November 26, 2014 (Document 472).

Defendants note that PDIC did not meet and confer with Defendants prior to submitting PDIC's November 26, 2014 letter. Defendants also disagree with PDIC's statement that "the parties have continued to engage in settlement discussions, with the greatest impediment being the terms of any possible settlement rather than a lack of will or desire on the part of the parties to resolve this case." (*Id.*) That statement is inaccurate, as there have been no recent communications between Defendants and PDIC regarding the terms of a possible settlement.

Respectfully, Defendants are not interested in undertaking the cost of a further mediation with PDIC at this time, and PDIC has not indicated a willingness to negotiate in a realistic settlement range. Defendants would prefer to await the Court's ruling on Defendants' meritorious summary judgment motion, which is fully briefed and, if successful, will dispose of the litigation in its entirety.

Thank you for your consideration of this letter.

Respectfully submitted,

DLA Piper LLP (US)

/s/ Sean C. Cunningham

Sean C. Cunningham
Partner

Admitted to practice in California

cc: Counsel of Record

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